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FM AMEMBASSY NICOSIA  
TO RUEHC/SECSTATE WASHDC PRIORITY 5369  
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE  
RUEHLB/AMEMBASSY BEIRUT 4087  
RUEHEG/AMEMBASSY CAIRO 0137  
RUEHIT/AMCONSUL ISTANBUL 0944  
RUCNDT/USMISSION USUN NEW YORK 0436

C O N F I D E N T I A L SECTION 01 OF 04 NICOSIA 000047

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E.O. 12958: DECL: 01/13/2015

TAGS: [PREL](#) [PGOV](#) [TU](#) [CY](#)

SUBJECT: WHO'S REALLY IN CHARGE HERE? TURKEY AND THE  
TURKISH CYPRIOTS

REF: A. 05 NICOSIA 2024

[B](#). 05 NICOSIA 291

[C](#). 05 NICOSIA 1766

[D](#). PALMER-INGMANSON EMAIL (11/28/05)

[E](#). 05 NICOSIA 1886

[F](#). LIBBY-INGMANSON EMAIL (12/07/05)

[G](#). LIBBY-PLOWDEN EMAIL (6/17/05)

Classified By: Ambassador R. Schlicher, for reasons 1.4 (b) and (d).

[1](#). (C) SUMMARY. The relationship between Turkey and the "TRNC" is less of a clear-cut, master-servant arrangement than Greek Cypriot rhetoric about the "military occupation regime" would suggest. The north's lack of outside political recognition, the large local Turkish garrison, and a heavy dependence on Turkish trade and financial largesse combine to render the Turkish Cypriots particularly susceptible to pressure from Ankara. While the Lilliputian Turkish Cypriots harbor no illusions about ever being truly independent, their current leaders clearly resent the extent of Turkish influence. As a result, Talat and his allies have tried with moderate success to carve out greater autonomy by pushing the envelope in areas of less importance to Ankara, operating "in the gaps" between various actors inside the GOT, and cultivating their democratic legitimacy and status as a "national cause" for Turkey. The Turkish Cypriot leadership -- whose pro-settlement rhetoric distinguish them from "Mr. Deep State" Rauf Denktash -- view their ability to make trouble for Erdogan as a one-time trump card, providing a certain amount of influence (and perhaps even an "in extremis" veto) over Turkey's Cyprus policy. As a result, relations between Lefkosa and Ankara are often more complicated and tense than they appear on the surface -- especially when it comes to issues such as property or deployment along the Green Line, which constitute sensitive "red lines" for the mainland's civilian and military leadership, respectively. Without Turkish Cypriot buy-in, any Cyprus-related initiative from Turkey (including long-term settlement proposals but also intermediate steps like the opening of ports) could be difficult to pull off.  
END SUMMARY.

NOT A REAL BOY...

[2](#). (C) In his introductory meeting with the Ambassador (ref a), Turkish Cypriot "President" Mehmet Ali Talat made the candid observation that his most difficult problem was the excessive influence Turkey had over the north. While Talat quickly added that he enjoyed a good relationship with the GOT, his comment was nonetheless revealing. And it is something we have heard before. In previous off-the-record conversations with poloff, "Prime Minister" Ferdi Soyer has also made reference to the "limits" placed by Turkey in key

policy areas -- something the current Turkish Cypriot leadership clearly resents.

13. (C) From the Greek Cypriot perspective, the Turkish Cypriot administration is a "pseudo-state" entirely controlled by the occupying Turkish military. Putting this spin on the facts is partly a tactical maneuver designed to reduce pressure on Nicosia to meet or negotiate with the Turkish Cypriots. If Talat is a puppet of the Turks, the reasoning goes, the island's division can only be resolved through direct talks between Nicosia and Ankara -- preferably linking Turkey's EU accession to concessions on the Cyprus problem.

14. (C) But dissing the Turkish Cypriots is also critical to the Greek Cypriot strategy of portraying themselves as righteous victims. Casting the Cyprus problem solely as the result of Turkish aggression, successive Greek Cypriot leaders have dodged awkward questions about a decade of pre-invasion intercommunal violence, in which it was arguably the Greek Cypriots who threw the first punch. UNSC resolutions condemning the secessionist entity in the north, as well as more recent ECHR rulings that classify the "TRNC" as an administration entirely "subordinate" to Turkey, add a legal sheen to Greek Cypriot claims that the Turkish Cypriot administration is a wholly-owned subsidiary of Ankara.

15. (C) On the face of it, there is much evidence to support this interpretation of the "TRNC." Denktash-era declarations of sovereignty notwithstanding, Turkey clearly holds enormous influence in the north. The "TRNC" flag is never flown without the flag of Turkey, while Turkish Cypriots are emotionally attached to other symbols of their "Turkishness" and ties to the motherland. Statues of Ataturk are

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everywhere, and even the most European-oriented Turkish Cypriot bankers quietly reject as "impossible" economically sound arguments that the "TRNC" should ditch the Turkish lira in favor of the euro.

16. (C) On a more practical level, the large garrison of Turkish troops stationed in the north (ref b) is an 800-pound gorilla on the northern political scene, with a long history of open meddling in Turkish Cypriot elections. Although Turkish troops largely kept to themselves during the 2004 Annan Referendum and subsequent elections, they still retain more subtle levers of influence over the Turkish Cypriot community. The "TRNC's" police, small army, and even its fire brigade remain under the command of the ranking mainland general on the island -- while the army has reportedly used its financial clout to reward politically friendly businessmen with generous contracts. According to Talat's private secretary, "the president" is constantly looking over his shoulder and calculating the military's possible reaction to practically every decision he makes.

17. (C) Finally, the Turkish Cypriot economy remains overwhelmingly dependent on the mainland. The vast majority of the north's trade, and a significant portion of its tourists, come from or travel through Anatolia. At the same time, the "TRNC" relies on direct financial transfers from the GOT to pay for up to a third of its roughly \$1 billion annual budget. This aid pays for salaries and other day-to-day expenses, and is frequently topped off with grants for specific infrastructure projects. The Turkish Embassy here is remarkably tight-lipped about the amount and shape of its assistance to the Turkish Cypriots, but advisors close to Talat have suggested the Turks attach certain conditions to their aid -- most recently demanding the reluctant center-left CTP take a more aggressive approach to privatization of "TRNC"-owned enterprises, to the chagrin of its traditional trade union allies.

... BUT WHO PULLS THE STRINGS?

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¶8. (C) Talat's complaints of interference notwithstanding, the Turkish Cypriots enjoy a wider autonomy -- at least in certain policy areas -- than outside observers might think. Even under the dictatorial rule of Rauf Denktash, who reliably danced to the nationalist tune set by successive mainland governments and military leaders, the Turkish Cypriots (or at least Denktash) had a certain amount of influence both over their own affairs and in Turkey itself. As a living icon personifying one of the Motherland's do-or-die national causes, Denktash was given a wide berth by successive Turkish ambassadors and local force commanders. He accumulated significant personal wealth locally and developed a loyal fan base inside the "deep state" -- which he reportedly used over the years to influence military promotions, pressure civilian leaders, and tweak Turkish policy on the Cyprus question. And because Denktash was trusted to be more nationalist than Ataturk, Ankara generally left him to run the "TRNC" as his own fiefdom.

¶9. (C) The consolidation of Talat's pro-settlement leadership in 2003-2004 has changed this dynamic significantly. Talat and his former-communist CTP party are said to be widely mistrusted by the Turkish military, and the cool reception Talat received when he called on President Sezer in 2005 shows that the mainland's civilian nationalists are none too keen on him either. Talat and his entourage lack the nationalist legitimacy to exercise the kind of quiet influence exerted by Denktash.

¶10. (C) CTP heavyweight and Famagusta "mayor" Oktay Kayalp notes, however, a local perception that there is a "new balance of power" in Ankara, with the Turkish military sitting largely on the political sidelines (for the moment) and a wobbly-but-dominant AKP still officially committed to democratic reform and EU membership. This he believes not only allowed the CTP to come to power in the first place, but now gives the Turkish Cypriots greater "autonomy." Nicosia mayor and Talat confidante Kutlay Erk agrees, noting that Turkey cannot afford to be seen leaning too hard on a democratically-elected community leader.

¶11. (C) As a result, the once hardline Turkish Ambassador "sings a more European song" than he did when he previously served in Cyprus in the early 90s. According to Erk, the Turkish Embassy has sat largely silent as Talat pressed forward with "radical changes" such as the reform of the Education "Ministry's" previously ultra-nationalist history

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curriculum, liberalization of trade across the Green Line, a crackdown on undocumented Turkish immigrants (ref c), or the opening of Orthodox churches in the north to Greek Cypriot worshippers. As long as the army "stays in the barracks" on the mainland, Turkish Cypriots feel they have more breathing room to run their own affairs and take certain confidence-building steps.

¶12. (C) At the same time, Erk and other insiders acknowledge that there are areas where Turkey perceives its vital interests to be at stake, and where Ankara sets much more narrow limits. Turkey's sensitivities seem centered on a few key issues such as military control of the Green Line and core settlement-related questions like property. The recent debacle over a Green Line crossing at Ledra Street (ref d) was a case in which Talat's desire to open the checkpoint foundered on the army's demand for continued access to its checkpoints in the area. Meanwhile, the north's new property legislation was the result of considerable Turkish arm-twisting on a Turkish Cypriot public and parliament fearful of seeing their homes and businesses "restituted" out from underneath them (refs e and f).

SELECTIVELY PUSHING THE ENVELOPE

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¶13. (C) According to his private secretary, Talat feels that the best strategy to strengthen the Turkish Cypriot position on issues like this is to bolster his own image both here and on the mainland -- nibbling away at the constraints and pressures placed on him by Ankara. By traveling to Turkey at least once a month, granting frequent interviews to the Denktash-smitten media there, and grabbing every opportunity to stride on his own across the world stage (such as his recent visit to Washington or an upcoming trip to London), Talat seeks to reinforce the perception that he is the legitimate leader of his community.

¶14. (C) In some cases Talat pushes the envelope, risking the ire of the local brass, to show (in the words of one U.S.-trained Turkish Cypriot academic) "that he, and nobody else, is the Mayor of the Munchkin City." His recent decision to host Bayram holiday receptions without the participation of the Turkish Ambassador or force commander, who traditionally co-hosted the event in the Denktash years, caused quite a stir. The military and Ambassador are reportedly still sulking over the perceived slight, but have publicly held their tongues.

#### ERDOGAN "NEEDS" TALAT

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¶15. (C) Talat's ultimate trump card in Ankara, according to his private secretary, is that "Erdogan needs him." For example, Turkish Cypriot cooperation in drafting (and implementing) a new property scheme is an indispensable part of the GOT's strategy of countering the increasingly costly and embarrassing raft of ECHR law suits against it. The Turkish Cypriot leadership feels that this gives it a certain amount of influence in Ankara -- despite Talat's lack of deep-state "street cred." By cooperating to a greater or lesser degree with the AKP on matters such as property, the Turkish Cypriots can bargain for a greater or lesser degree of freedom on issues like settler immigration.

#### TURKISH CYPRIOTS TAKE A HARD LINE ON PORTS

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¶16. (C) The big kahuna on the Turkish Cypriot agenda today, however, is the question of whether Turkey will open its ports to ROC-flagged planes and ships -- a question Talat has characterized as a do-or-die issue for his community. If Ankara accepts EU demands to open its ports without a reciprocal "lifting of isolation," the theory goes, the north's economy would be slowly choked to death by trade diversion. And the door would be open to Turkey abandoning the "TRNC" in favor of recognizing the ROC.

¶17. (C) Mayor Erk, Talat's private secretary, and other insiders have all told us that this was an issue over which Talat would willingly risk an open falling-out with Erdogan if necessary. They insist Talat could seriously damage the AKP's domestic political fortunes by using his bully pulpit to condemn Erdogan loudly and publicly for any "selling out" of Cyprus. Talat advisors are quick to point out that the AKP has given them every assurance that no unilateral sell-out deal is in the works, and they acknowledge that such an open break with the AKP would probably be disastrous for

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their own tenure in office. But they quietly hope that the implicit threat of "mutually assured destruction" (and the possibility that the army would come to Talat's rescue if he took up Denktash's nationalist mantle) will keep the GOT from bargaining away vital Turkish Cypriot interests.

#### COMMENT

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¶18. (C) It is an open question whether Talat would pick such a fight, and whether he could win. Even without a knock-down-drag-out over ports, however, the tension between

Turkish Cypriot autonomy and Ankara's equities and influence is dynamic, making it hard to predict with certainty how the north's decision-making process works at any given time. On one hand, for example, if another way can be found to resupply Turkish troops in the area, the army would probably allow Talat to tear down the bridge at Ledra Street -- although whether he could swallow his own pride and back down in front of Papadopoulos is another issue. On the other hand, it is far from certain the Turkish Cypriots could have persuaded Ankara to deliver on Talat's offer to return Varosha in exchange for the "lifting of isolation," had the Greek Cypriots accepted the deal during last year's Luxembourg-sponsored talks in Brussels (ref g).

¶19. (C) As we engage the Turks and Turkish Cypriots on issues related to EU accession, settlement talks, and confidence building measures, it will be important to work both ends of the Ankara-Lefkosa axis. The interests and goals of the two sides do not always overlap -- and one party may be unable to deliver without buy-in from the other. END COMMENT.  
SCHLICHER